

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Chapter 11

IMPORT SPECIALTIES INCORPORATED
D/B/A HEARTLAND AMERICA,

Case No. 19-42563

Debtor.

AMENDED ORDER AUTHORIZING INTERIM USE OF CASH COLLATERAL

This case is before the Court on the Debtor's expedited motion for an order authorizing the use of cash collateral. Based on the motion, the agreement of the parties, and the file,

IT IS HEREBY ORDERED:

1. The Debtor's request for expedited relief is granted.

2. The Debtor is authorized, subject to the terms herein, to use cash collateral in which Charter Bank has an interest through September 26, 2019.

3. The Debtor's use of cash collateral is subject to the following terms:

- (a) The Debtor will use cash to pay ordinary and necessary business expenses for the items and such use will not vary materially from that provided for in Exhibit B attached to the Debtor's president's declaration (Docket No. 16), except for variations attributable to expenditures specifically authorized by Court Order.
- (b) The Debtor will grant Charter Bank replacement liens, to the extent of the Debtor's use of cash collateral, in post-petition inventory, accounts, equipment, and general intangibles, with such lien being of the same priority, dignity, and effect as their respective pre-petition liens. These replacement liens are deemed to be granted, effective and perfected without any further act by any party. However, Charter Bank will not have any liens on any Chapter 5 causes of actions.
- (c) The Debtor will carry insurance on its assets.
- (d) The Debtor will provide Charter Bank with such reports and documents as they may reasonably request.

- (e) The Debtor will afford Charter Bank the right to inspect the Debtor's books and records and the right to inspect and appraise any part of their collateral at any time during normal operating hours and upon reasonable notice to the Debtor and its attorneys. For all bank accounts held outside of Charter Bank, on Monday of each week, the Debtor shall provide Charter Bank with a written transactional history which discloses and describes all transactions and activity within the account during the previous week, or, alternatively, shall provide Charter Bank with online access to view such banking transactions.
- (f) The Debtor's permitted use of cash collateral will cease if:
 - (i) The Debtor defaults in performance of any obligation hereunder;
 - (ii) Charter Bank gives notice of such default to the Debtor and its counsel; and
 - (iii) Such default is not cured within seven business days from the date of receipt of the notice.

4. By entering this Order, the Court is not deciding the issues raised by Charter Bank or by the Committee of Unsecured Creditors at Docket Nos. 34, 35 and 40. Those issues will be taken up by the Court on September 26, 2019, at 11:00 a.m.

Dated: September 18, 2019

/s/ Kathleen H. Sanberg

Kathleen H. Sanberg
United States Bankruptcy Judge